

## Message Text

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ORIGIN COME-00

INFO OCT-01 EUR-12 ISO-00 AGR-01 CEA-01 CIAE-00  
DODE-00 EB-07 FRB-03 H-01 INR-07 INT-05 L-03  
LAB-04 NSAE-00 NSC-05 PA-01 EPG-02 AID-05 SS-15  
STR-04 ITC-01 TRSE-00 USIA-06 PRS-01 SP-02  
FEAE-00 OMB-01 AF-10 ARA-10 EA-07 NEA-10 OIC-02  
IO-13 /140 R

DRAFTED BY: COM/BIEPR/OTP/TNAD/CROE

APPROVED BY: EB/OT/TA:DJDUNFORD

LABOR/FLAVALLEE

STATE:RWHITE

TREASURY/JSCHOTT

EA/J:DSMITH (SUBS)

STR/PMURPHY

AGRIC:JOMARA

ARA/ECP:WBURSON (SUBS)

EUR/RPE:RBRESLER (SUBS)

-----171404Z 113564 /45

R 170127Z JUN 77

FM SECSTATE WASHDC

TO AMEMBASSY VIENNA

AMEMBASSY BRASILIA

AMEMBASSY OTTAWA

AMEMBASSY BRUSSELS

AMEMBASSY PARIS

AMEMBASSY ROME

AMEMBASSY TEL AVIV

AMEMBASSY TOKYO

AMEMBASSY MADRID

AMEMBASSY MEXICO

INFO USMISSION GENEVA

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USMTN USEC

E.O. 11652: N/A

TAGS: ETRD, GATT, MTN, XT, BR, CA, IS, JA, MX

SUBJECT: REVIEW OF U.S. POSITION ON AUTOMATIC IMPORT

## LICENSING

1. USG IS CURRENTLY REVIEWING ITS POSITION IN MULTILATERAL TRADE NEGOTIATIONS (MTN) ON NONTARIFF MEASURE ISSUE OF AUTOMATIC IMPORT LICENSING (AIL). AIL IS DEFINED AS LICENSING USED FOR STATISTICAL OR SURVEILLANCE PURPOSES WHICH IS ALWAYS GRANTED UPON REQUEST AND SHOULD NOT BE USED TO RESTRICT IMPORTS. IT COVERS SUCH PRACTICES AS ADMINISTRATIVE/TECHNICAL VISAS, SURVEILLANCE SYSTEMS, EXCHANGE FORMALITIES RELATED TO IMPORTS AND OTHER EQUIVALENT ADMINISTRATIVE PRACTICES EFFECTED AS PRIOR CONDITION FOR ENTRY OF IMPORTS.

2. USG MAINTAINS THAT ALL AIL SYSTEMS SHOULD BE ELIMINATED BECAUSE THEIR OBJECTIVES CAN BE ACCOMPLISHED BY OTHER MEANS, AND BECAUSE THEY ARE SOMETIMES USED, EITHER INADVERTENTLY OR INTENTIONALLY, TO RESTRICT TRADE. WE HAVE INDICATED, HOWEVER, THAT WE WOULD BE WILLING TO CONSIDER USE OF AIL A SURVEILLANCE MECHANISM FOR SAFEGUARD RELATED PURPOSES (GATT ARTICLE XIX) IN MTN SAFEGUARDS GROUP. U.S. POSITION HAS NOT BEEN SUPPORTED BY OTHER DELEGATIONS. AUSTRIA, BRAZIL, CANADA, EUROPEAN COMMUNITY

(FRANCE, ITALY), ISRAEL, JAPAN AND SPAIN HAVE SUPPORTED MAINTAINENCE OF AIL FOR VARIOUS REASONS. SOME DELEGATIONS HAVE INDICATED THAT NEED FOR AIL AS SURVEILLANCE MECHANISM EXTENDS BEYOND ARTICLE XIX WITHOUT PRECISELY DEFINING WHAT ADDITIONAL NEEDS ARE. OTHER DELEGATIONS HAVE ADDED THAT AIL SYSTEMS FUNCTION AS LIMITED OFFICIAL USE

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NECESSARY STATISTICAL SOURCE, AS WELL AS A SURVEILLANCE MECHANISM.

3. ACTION REQUESTED. IN REVIEWING THIS ISSUE, IT IS IMPORTANT THAT TRADE NEGOTIATORS HAVE CLEAR UNDERSTANDING OF FULL RANGE OF AIL PRACTICES IN COUNTRIES WHICH SUPPORT MAINTENANCE OF SUCH SYSTEMS IN MTN. ALTHOUGH THESE COUNTRIES CURRENTLY NOTIFY THEIR AUTOMATIC LICENSING REQUIREMENTS UNDER GATT PROCEDURES (GATT RESTRICTED L4458 1/20/77), NOTIFICATIONS DO NOT FULLY EXPLAIN FUNCTION AND PURPOSE OF AIL, AND MANY TIMES CONFLICT WITH COUNTRIES' JUSTIFICATION FOR SUCH SYSTEMS IN MTN. WE ARE, THEREFORE, REQUESTING POSTS, IN CONSULTATION WITH HOST GOVERNMENT INFORMATION SOURCES, TO REPORT BY JULY 1, ALL RELEVANT INFORMATION CONCERNING FUNCTION AND PURPOSE OF AIL SYSTEMS IN THESE COUNTRIES.

4. FOLLOWING GUIDELINES SHOULD SERVE AS A FORMAT FOR RESPONSE. ADHERENCE TO THIS FORMAT WILL GREATLY

FACILITATE COMPILATION AND ANALYSIS OF RESPONSES FOR USE  
BY TRADE NEGOTIATORS.

A. INDICATE FULL RANGE OF ACTUAL OR POTENTIAL FUNCTIONS  
AND PURPOSES OF AIL (E.G. FUNCTION: SURVEILLANCE;  
PURPOSE: TO MONITER IMPORTS COMPETING WITH SENSITIVE  
DOMESTIC INDUSTRIES. FUNCTION: STATISTICAL; PURPOSE:  
TO GATHER DATA ON IMPORTS OF FOREIGN AUTOMOBILES.)

B. INDICATE PRACTICAL ALTERNATIVE METHODS, IF ANY, FOR  
OBTAINING INFORMATION NOW SUPPLIED BY AIL SYSTEMS (E.G.  
IMPORT DECLARATION, COMMERCIAL INVOICE, ETC.)

C. INDICATE COMMODITIES CURRENTLY SUBJECT TO AIL.

D. INDICATE ANY ACTUAL INSTANCES WHERE AIL HAS BEEN  
USED TO RESTRICT IMPORTS, EITHER DIRECTLY OR THROUGH  
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LENGTHLY ADMINISTRATIVE DELAYS (DESCRIBE SPECIFICS).

E. INDICATE ANY PREFERENTIAL TREATMENT OR  
DISCRIMINATION ASSOCIATED WITH AIL. CHRISTOPHER

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NNN

## Message Attributes

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**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
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**Disposition Approved on Date:**  
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**Disposition Date:** 22 May 2009  
**Disposition Event:**  
**Disposition History:** n/a  
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**Disposition Remarks:**  
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**Document Unique ID:** 00  
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**Executive Order:** N/A  
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**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
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**Page Count:** 3  
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**SAS ID:** 2110700  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** REVIEW OF U.S. POSITION ON AUTOMATIC IMPORT LICENSING  
**TAGS:** ETRD, MX, XT, BR, CA, IS, JA, GATT, MTN  
**To:** VIENNA BRASILIA MULTIPLE  
**Type:** TE  
**vdkgvwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/26f7fb7a-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
22 May 2009  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009